

MINISTRY OF SOCIAL SERVICES

**VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND**

FINANCIAL STATEMENTS

For the year ended March 31, 2013

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Valley View Centre Grants and Donations Trust Account and Institutional Collective Benefit Fund, which comprise the statement of financial position as at March 31, 2013, March 31, 2012, and April 1, 2011, and the statement of operations and changes in trust fund equity and the statement of changes in cash flow for the years ended March 31, 2013 and March 31, 2012, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

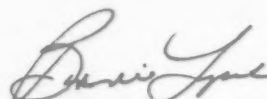
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Valley View Centre Grants and Donations Trust Account and Institutional Collective Benefit Fund as at March 31, 2013, March 31, 2012, and April 1, 2011, and the results of its operations and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian public sector accounting standards.

Regina, Saskatchewan
June 26, 2013


Bonnie Lysyk, MBA, CA
Provincial Auditor

MINISTRY OF SOCIAL SERVICES
VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31

	Grants & Donations Account	Institutional Collective Benefit Fund		Total 2013	Total 2012 (Note 2)	Total April 1, 2011 (Note 2)
		Canteen Account	Bazaar Account			
Financial Assets						
Due from General Revenue Fund (Note 5)	\$ 87,932	\$ 23,844	\$ 7,540	\$ 119,316	\$ 128,589	\$ 117,276
Cash	-	375	20	395	210	210
Interest Receivable	239	68	21	328	353	316
Inventory	-	6,278	-	6,278	6,644	6,762
Accounts Receivable	158	-	-	158	238	87
Total Financial Assets	\$ 88,329	\$ 30,565	\$ 7,581	\$ 126,475	\$ 136,034	\$ 124,651
Liabilities						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,324
Trust Fund Equity (Statement 2)	\$ 88,329	\$ 30,565	\$ 7,581	\$ 126,475	\$ 136,034	\$ 122,327

(See accompanying notes to the financial statements)

MINISTRY OF SOCIAL SERVICES
VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND
STATEMENT OF OPERATIONS AND CHANGES IN TRUST FUND EQUITY
FOR THE YEAR ENDED MARCH 31

	Grants & Donations Account	Institutional Collective Benefit Fund		Total 2013	Total 2012 (Note 2)
		Canteen Account	Bazaar Account		
Revenue					
Donations	\$ 12,807	-	-	\$ 12,807	\$ 16,410
Interest	1,180	284	-	1,464	1,522
Sales	-	33,523	985	34,508	42,485
Camp Thunderbird	-	9,128	-	9,128	8,792
Total revenue	<u>13,987</u>	<u>42,935</u>	<u>985</u>	<u>57,907</u>	<u>69,209</u>
Cost of goods sold					
Sales projects	-	30,014	363	30,377	32,469
Camp Thunderbird	-	5,697	-	5,697	270
Total cost of goods sold	<u>-</u>	<u>35,711</u>	<u>363</u>	<u>36,074</u>	<u>32,739</u>
Gross profit	13,987	7,224	622	21,833	36,470
Other expenses					
Resident comforts	22,830	6,054	-	28,884	20,022
Wages	-	-	2,220	2,220	1,970
Miscellaneous	-	288	-	288	771
Training allowances	-	-	-	-	-
Total other expenses	<u>22,830</u>	<u>6,342</u>	<u>2,220</u>	<u>31,392</u>	<u>22,763</u>
Net (Deficit) Earnings from operations	\$ (8,843)	\$ 882	\$ (1,598)	\$ (9,559)	\$ 13,707
Trust Fund Equity, beginning of year	<u>97,172</u>	<u>29,683</u>	<u>9,179</u>	<u>136,034</u>	<u>122,327</u>
Trust Fund Equity, end of year	<u>\$ 88,329</u>	<u>\$ 30,565</u>	<u>\$ 7,581</u>	<u>\$ 126,475</u>	<u>\$ 136,034</u>

(See accompanying notes to the financial statements)

MINISTRY OF SOCIAL SERVICES
VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND
STATEMENT OF CHANGES IN CASH FLOW
FOR THE YEAR ENDED MARCH 31

	Grants & Donations Account	Institutional Collective Benefit Fund		Total 2013	Total 2012 (Note 2)
		Canteen Account	Bazaar Account		
Net (Deficit) Earnings from operations	\$ (8,843)	\$ 882	\$ (1,598)	\$ (9,559)	\$ 13,707
Changes in non-cash items:					
Decrease (Increase) in accounts receivable	80	-	-	80	(151)
Decrease (Increase) in interest receivable	22	-	3	25	(37)
Decrease in inventories	-	366	-	366	118
Decrease in accounts payable	-	-	-	-	(2,324)
Net (decrease) increase in Cash and Due from GRF	(8,741)	1,248	(1,595)	(9,088)	11,313
Cash and Due from GRF, beginning of year	96,673	22,971	9,155	128,799	117,486
Cash and Due from GRF, end of year	<u>\$ 87,932</u>	<u>\$ 24,219</u>	<u>\$ 7,560</u>	<u>\$ 119,711</u>	<u>\$ 128,799</u>
Components:					
Cash	\$ -	\$ 375	\$ 20	\$ 395	\$ 210
Due from General Revenue Fund	87,932	23,844	7,540	119,316	128,589
	<u>\$ 87,932</u>	<u>\$ 24,219</u>	<u>\$ 7,560</u>	<u>\$ 119,711</u>	<u>\$ 128,799</u>

(See accompanying notes to the financial statements)

**MINISTRY OF SOCIAL SERVICES
VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND
MARCH 31, 2013**

1. Authority and purpose

The Valley View Centre (Centre) is a residential facility for people with intellectual disabilities. The Centre is operated by the Ministry of Social Services. The Centre's Grants and Donations Trust Account (Trust Account) and Institutional Collective Benefit Fund (Fund) were established under Section 13 of *The Department of Social Services Act*. The Social Services Rehabilitation Institutional Collective Benefit Funds and Trust Account Regulations regulates the Trust Account and the Fund.

- a. The Grants and Donations Trust Account is used to account for donations, gifts and other money given to the Centre. The Trust Account is a registered charity with the Canada Revenue Agency.
- b. The Fund consists of:
 - the Canteen Account, used to account for the operations of a canteen which provides services for residents and staff of the Centre. The account is required to pay into the Government's General Revenue Fund any balance in excess of \$80,000.
 - the Bazaar Account, used to account for the operations of occupational and vocational programs for the residents of the Centre. The account is required to pay into the Government's General Revenue Fund any balance in excess of \$80,000.

2. Adoption of New Accounting Standards

Effective April 1, 2011, the Trust Account and Fund retrospectively adopted Canadian public sector accounting standards for its 2012-13 fiscal year. The adoption of these standards did not have a material impact on the financial statements of the Trust Account and Fund. The Trust Account and Fund's financial statements were previously prepared in accordance with Canadian generally accepted accounting principles.

The accounting standards have been consistently applied in preparing the financial statements for the year ended March 31, 2013, the comparative information presented in these financial statements and the opening statement of financial position as at April 1, 2011.

3. Significant accounting policies

These financial statements are prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

Accrual basis

The financial statements are prepared on the accrual basis of accounting.

**MINISTRY OF SOCIAL SERVICES
VALLEY VIEW CENTRE GRANTS AND DONATIONS TRUST ACCOUNT AND
INSTITUTIONAL COLLECTIVE BENEFIT FUND
MARCH 31, 2013**

Revenue recognition

Grant and donation revenue is recognized when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Bazaar and canteen revenue is recognized when goods are sold or services rendered.

Inventory

Inventory is valued at the lower of cost and net realizable value. Net realizable value is defined as the expected selling price.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

4. Financial instruments

The Trust Account and Fund's financial instruments include due from General Revenue Fund, accounts receivable, interest receivable, and accounts payable. The carrying value of these instruments approximates fair value due to their immediate or short-term nature.

5. Due from General Revenue Fund

The bank accounts for the Trust Account and the Fund are included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan.

Interest earned is calculated and paid by the General Revenue Fund on a quarterly basis into the respective bank accounts using the Government's 30 day borrowing rate and the respective average daily bank account balances. The Government's average 30 day borrowing rate for the year is 1.09% (2012 - 1.05%).

6. Related party transactions

In accordance with established government practice, the Trust Account and the Fund have not been charged with any general administrative costs and no provision for such costs is reflected in these statements. These costs are absorbed by the Ministry of Social Services.